

ASSEMBLY BILL

No. 439

Introduced by Assembly Member Matthews

February 14, 2003

An act to amend Section 7074 of the Government Code, relating to economic development.

LEGISLATIVE COUNSEL'S DIGEST

AB 439, as introduced, Matthews. Enterprise zones: expansion.

The existing Enterprise Zone Act provides for the designation of enterprise zones by the Technology, Trade, and Commerce Agency, pursuant to which certain entities within a designated enterprise zone may receive regulatory, tax, and other incentives for private investment and employment. An enterprise zone meeting specified criteria may, upon approval by the agency, be expanded by 15% to include definitive boundaries that are contiguous to the enterprise zone.

This bill would increase to 25% the area by which an enterprise zone meeting these criteria may be expanded.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 7074 of the Government Code is
2 amended to read:
3 7074. (a) ~~In the case of~~ For any enterprise zone, including an
4 enterprise zone formerly designated as an enterprise zone pursuant
5 to Chapter 12.8 (commencing with Section 7070) as it read prior
6 to January 1, 1997, or as a program area pursuant to Chapter 12.9

(commencing with Section 7080) as it read prior to January 1, 1997, a city or county, or city and county may propose that the enterprise zone be expanded by ~~15~~ 25 percent to include definitive boundaries that are contiguous to the enterprise zone.

(b) The agency may approve an enterprise zone expansion proposed pursuant to this section based on the following criteria:

(1) Each of the adjacent jurisdictions' governing bodies approves the expansion by adoption of an ordinance or resolution.

(2) Land included within the proposed expansion is zoned for industrial or commercial use.

(3) Basic infrastructure, including, but not limited to, gas, water, electrical service, and sewer systems, is available to the area that would be included in the expansion.

(c) An enterprise zone may propose to use an eligible expansion allotment to expand into an adjacent jurisdiction pursuant to this section if the agency finds that all of the following conditions exist:

(1) The governing body of the local agency with jurisdiction over the existing enterprise zone and the governing body of the local agency with jurisdiction over the proposed expansion area each approve the expansion by adoption of an ordinance or resolution. The ordinance or resolution by the jurisdiction containing the proposed expansion area shall indicate that the jurisdiction will provide the same or equivalent local incentives as provided by the jurisdiction of the existing enterprise zone.

(2) (A) Land included within the proposed expansion is zoned for industrial or commercial use.

(B) An expansion area may contain noncommercial or nonindustrial land only if that land is a right-of-way and is needed to meet the requirement for a contiguous expansion between an existing enterprise zone and a proposed expansion area.

(3) Basic infrastructure, including, but not limited to, gas, water, electrical service, and sewer systems, is available to the area that would be included in the expansion.

(4) The expansion area is contiguous to the existing enterprise zone.

(d) (1) Except as otherwise provided in paragraph (2), in no event shall an enterprise zone be permitted to expand more than 15 percent in size from its size on the date of original designation, including any expansion authorized pursuant to Chapter 12.8

1 (commencing with Section 7070), or Chapter 12.9 (commencing
2 with Section 7080), as those chapters read prior to January 1, 1997.
3 (2) If an enterprise zone, on the date of original designation, is
4 no greater than 13 square miles, it may be permitted to expand up
5 to 20 percent in size from its size on the date of original
6 designation.

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